

# MULBERRY HOUSE

MERCHANT GATE  
WAKEFIELD WF12TS

FOR SALE

HIGH YIELDING MULTI-LET OFFICE  
WITH GOVERNMENT INCOME



MSCP

CAPA College

Wakefield Westgate Station

Wakefield College

County Hall

Town Centre

Wakefield Council

**Mulberry House**

1 Burgage Square

2 Burgage Square



# INVESTMENT SUMMARY

Mulberry House forms part of the high profile Merchant Gate development in Wakefield

A Grade A office building totalling 12,530 sq ft arranged over ground floor level

Occupying a highly prominent position, immediately adjacent to Wakefield Westgate Train Station

Multi-let to 3 tenants including Wakefield Council, Pro Display TM and ATOS IT Services UK

The property is currently producing £245,490 per annum – 65% secured against Wakefield Council for a term certain of just under 15 years

100% let with 65% of the income benefitting from RPI rent reviews with a cap and collar review between 2.5% and 1% respectively (compounded annually).

The property provides 3 flexible suites, which are capable of further subdivision each with their own entrance

Providing a WAULT to expiry of 11.14 and to break of 10.10 years

The property is held by way of 4 Long Leasehold titles with a peppercorn rent payable



We are instructed to seek **offers in excess of £2,543,000** (Two Million Five Hundred and Forty Three Thousand Pounds), subject to contract and exclusive of VAT, for our client's long leasehold interest.

A purchase at this level reflects **an attractive Net Initial Yield of 9%**.



# WAKEFIELD

The cathedral city of Wakefield is a bustling destination and one of West Yorkshire's main commercial and administrative centres that is located 9 miles (14 km) south-east of Leeds, 25 miles (40 km) north of Sheffield and 28 miles (45 km).

The city is the 23rd most populous district in England with a population of over 350,000 people. Wakefield has an £8.08 billion economy and access to 2.1 million people within a 35 minute drive-time.

Wakefield district has access to over 180,000 students within 25 miles together with over 20,000 jobs within the district's professional services and public administration organisations.

West Yorkshire is now established as a hub for professional services and Wakefield is well positioned for growth with 12% of the district's businesses already operating within the sector.



£8.08 BILLION  
ECONOMY



2.1 MILLION PEOPLE  
WITHIN A 35 MINUTE  
DRIVE-TIME



OVER 180,000  
STUDENTS WITHIN  
25 MILES



20,000 JOBS WITHIN  
PROFESSIONAL  
SERVICES



WELL POSITIONED  
FOR GROWTH





# CONNECTIVITY



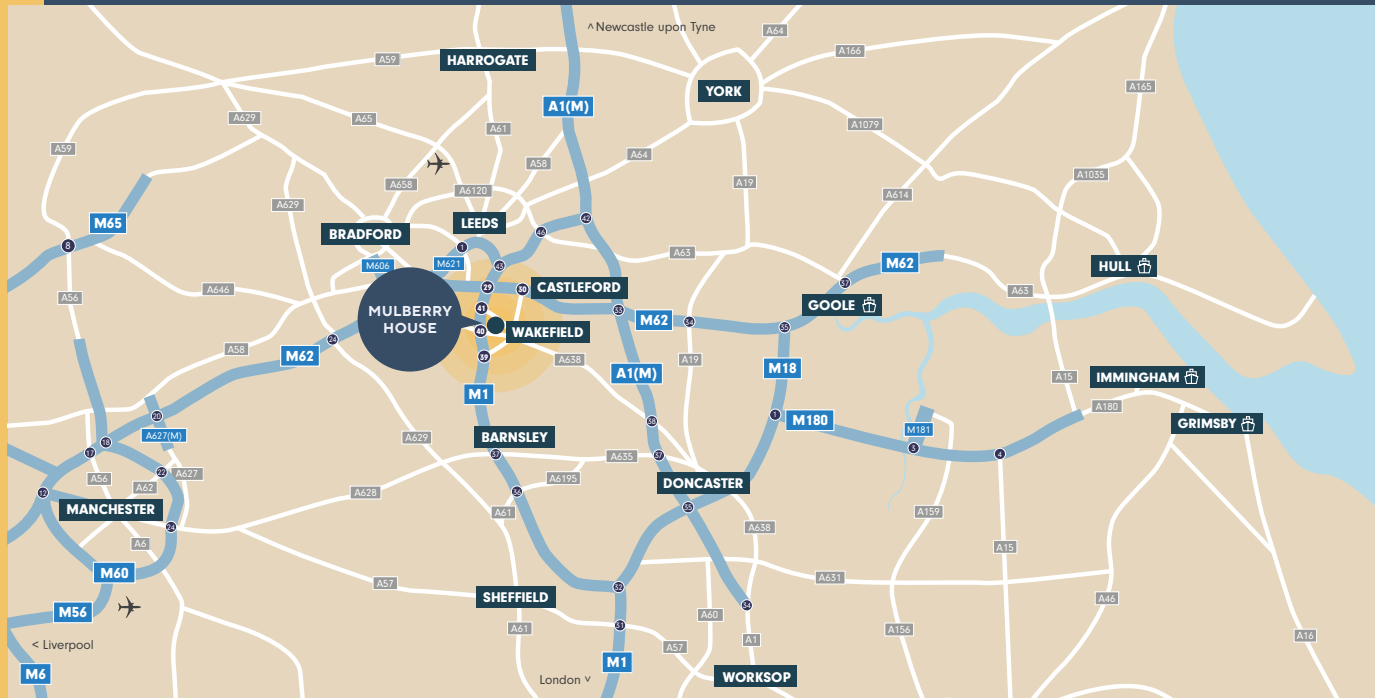
The city benefits from excellent road connectivity being within 3 miles (5 km) of the M1 (junctions 39, 40 and 41) and the M62 (junction 30) motorways.



Leeds Bradford Airport is located just 14 miles north-west of the city, allowing for great international connectivity. Other local airports include Manchester (39 miles), Liverpool (61 miles) and Birmingham (86 miles).



Wakefield has two local train stations, Wakefield Westgate and Wakefield Kirkgate, allowing for quick travel to Leeds in 15 minutes, Nottingham in 1 hour and London Kings Cross in 2 hours.

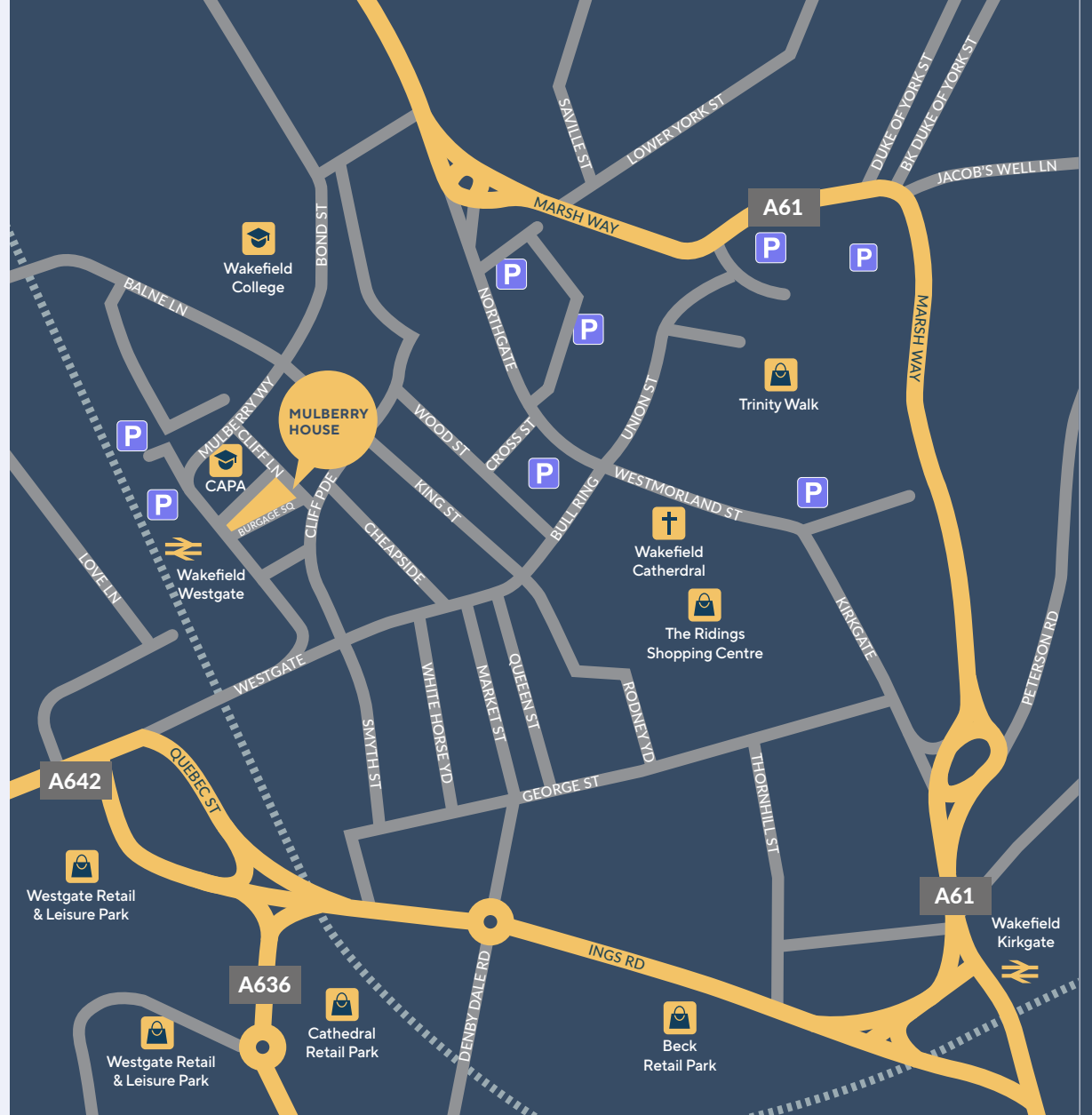
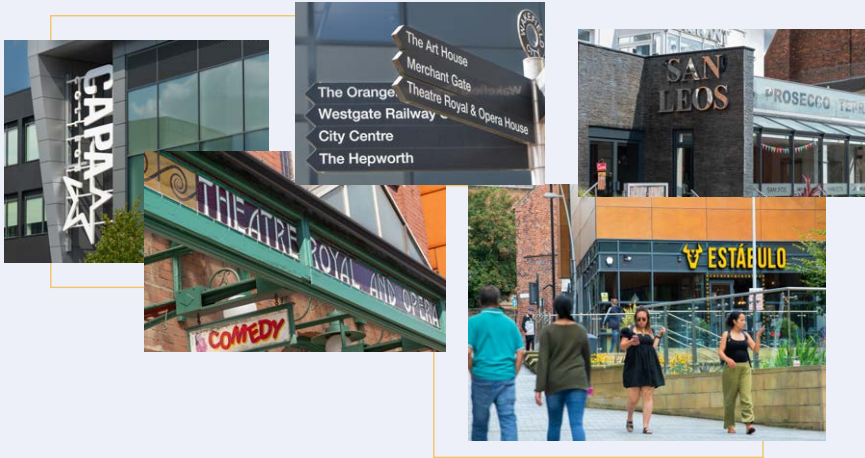




# SITUATION

Merchant Gate occupies an unrivalled location, immediately adjacent to the Wakefield Westgate Train Station which has an annual passenger flow of 2.2 million per year, with fast and frequent services to Leeds and London Kings Cross. Merchant Gate is an urban development including 48,000 sq ft of Grade A office space, 35,000 sq ft of retail and leisure and 66 apartments.

The immediate vicinity also benefits from a 1,451-space car park, a Strata residential development comprising 116 new homes, the 123,000 sq ft Civic offices, Wakefield college with over 10,000 students and the Performing Arts School accommodating 500 students.



# DESCRIPTION

Mulberry House comprises ground floor Grade A office accommodation within Merchant Gate. The property comprises 3 office suites extending 12,530 sq ft.

Merchant Gate is a development of office, retail and residential accommodation surrounding a landscaped public realm.

Mulberry House provides Grade A offices with the following specification:



VRF AIR  
CONDITIONING



RAISED ACCESS  
FLOORING



FULLY GLAZED  
FRONTAGE



SUSPENDED  
CEILINGS WITH  
INTEGRAL LIGHTING



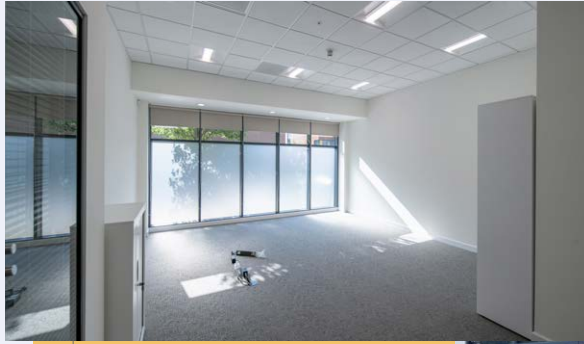
EXCEPTIONAL CAR  
PARKING PROVISION  
AVAILABLE IN MSCP



# ACCOMMODATION

The property provides the following floor areas on a Net Internal Area (NIA) basis in accordance with the RICS Code of Measuring Practice:

Suite	NIA (sq ft)
Unit 1	2,067
Unit 2	3,191
Unit 3	7,272
<b>Total</b>	<b>12,530</b>







## TITLE PLAN



## FLOOR PLAN

PRODISPLAY®



Atos | Group

wakefieldcouncil

## TENANCY

The property provides a WAULT of 11.14 years and a WAULT to break of 10.10 years.

Tenant	Area (SQ FT)	Lease Start	Lease End	Rent Review	Break Option	Rent £pa (£psf)	Comment
Pro Display TM Ltd	2,067	11/03/2016	10/03/2026	11/03/2021	-	£20,670 (£10.00)	
ATOS IT Services UK Ltd	3,191	01/08/2021	31/07/2028	-	31/07/2024 and 01/03/2026	£63,820 (£20.00)	Tenant renewed in 2022.
Wakefield Council	7,272	19/05/2023	18/05/2038	19/05/2028	-	£161,000 (£22.00)	Cap & collar rent review between 2.5% and 1% respectively (compounded annually).
<b>TOTALS</b>	<b>12,530</b>					<b>£245,490</b>	

\*There is currently an option for tenants to use the adjacent car park.

## TENURE

The property is held by way of 4 Long Leasehold interests expiring 20 June 2260 providing in excess of 236 years unexpired at a peppercorn rent.

The demise comprises the internal walls and the external walls of the building are held by the freeholder. The upper floors residential apartments are sold off long leasehold.





## TENANT COVENANTS

### PRO DISPLAY LTD

Pro Display Ltd have a rating of 58B representing low-moderate business risk.

Pro Display Ltd was founded in 2004 and is an award-winning UK manufacturer specialising in unique and innovative display technologies.

Year To Date	Turnover	Pre Tax Profit	Net Profit
31/05/2022	-	-	£1,041,943
31/05/2021	-	-	£750,813
31/05/2020	-	-	£650,342

### ATOS IT SERVICES

Atos IT Services UK Ltd have a rating of 86A representing low business risk.

Established in 2008 Atos deliver independent health and disability assessments on behalf of the Department for Work and Pensions (DWP) across the UK, for people claiming Personal Independence Payment (PIP). The role is to provide information to DWP following an assessment to understand the extent to which a person's health conditions or disabilities affect their daily life and their ability to live independently.

Year to Date	Turnover	Pre Tax Profit	Net Profit
31/12/2021	£1,373,573,000	-£130,298,000	£1,585,646,000
31/12/2020	£1,297,865,000	-£29,152,000	£1,656,484,000
31/12/2019	£1,306,327,000	-£26,828,000	£1,793,809,000

### WAKEFIELD COUNCIL

Wakefield Council utilise the space at Mulberry House as the Coroners Court. The council income is undoubted and is very low risk.



## OFFICE MARKET

There are now positive signs of leasing activity in anticipation for a more normal post-Covid world with Yorkshire take up figures for 2022 totalling 1,324,540 sq ft, across 293 transactions.

The market for office space within Yorkshire is predominantly centred around the larger towns and cities. Wakefield is an established regional centre and Merchant Gate is considered to be the best scheme in Wakefield due to the quality of the location, its connectivity, the environment and the specification of the buildings provided.

The office stock within Wakefield city centre amounts to 4.1 million sq ft, predominantly made up of dated stock and out of town office parks, not modern purpose-built accommodation located centrally.

**The recent letting to Wakefield City Council underlines the quality of the scheme and its attractiveness to occupiers.**



## DATA ROOM

Access to the data room is available upon request.

## SERVICE CHARGE

There is an estate service charge for the common areas.

There is a building service charge managed by the building management company which is recoverable from occupiers through the provisions in the occupational leases.

## EPC

The offices have been assessed to have an EPC Rating of C.

## VAT

The property is elected for VAT and it is anticipated that the sale will be transacted by way of a Transfer Of a Going Concern (TOGC).

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## Contacts

For further information or to arrange a viewing, please contact:

**Eleanor Smith**

+44 (0)7971 527 983  
eleanor.smith1@jll.com

**Mathew Atkinson**

+44 (0)7900 226 885  
mathew.atkinson@jll.com



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